

November 15, 1978

Interstate Commerce Commission
Room 1227
1210 Constitution Avenue, N.W.
Washington, D.C. 20423

985749857-A
No. 8-324A046
RECORDATION NO. Filed 1425
Date NOV 20 1978
NOV 20 1978 - 3 10 PM Fee \$20.00

Attn: Ms. Mildred Lee

INTERSTATE COMMERCE COMMISSION
ICC Washington, D. C

Dear Sirs:

Please find enclosed duplicate originals of a Security Agreement and a Conditional Assignment and Agreement with regard to four XM Boxcars.

The names and addresses of the parties are set out below:

Debtor/Assignor: Ronald G. Chism
510 Alta Gate Road
Louisville, Kentucky 40206

Secured Party/Lender Citizens Fidelity Bank & Trust Company
500 West Jefferson Street
Louisville, Kentucky 40202

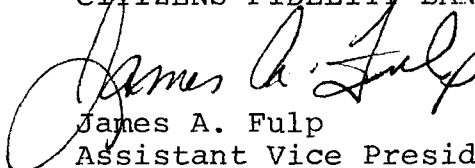
The equipment which serves as collateral for the financing hereinabove described consists of four XM Boxcars. The identifying numbers with regard to said boxcars are as follows: VTR-11107, VTR-11218, VTR-11231 and VTR-11298.

The foregoing boxcars are manufactured by Pullman Standard.

It is hereby respectfully requested that the enclosed documents be accepted for recordation by your office. The original documents and all correspondence concerning the enclosed documents should be sent to Don C. Graeter, Attorney at Law, 2800 Citizens Plaza, Louisville, Kentucky 40202.

Very truly yours,

CITIZENS FIDELITY BANK & TRUST COMPANY


James A. Fulp
Assistant Vice President

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I.C.C.
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Interstate Commerce Commission
Washington, D.C. 20423

11/21/78

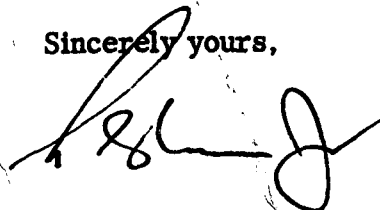
OFFICE OF THE SECRETARY

James A. Fulp
Assistant Vice President
Citizens Fidelity Bank & Trust Co.
500 West Jefferson Street
Louisville, Kentucky 40202

Dear Sir:

The enclosed document(s) was recorded pursuant to the
provisions of Section 20(c) of the Interstate Commerce Act,
49 U.S.C. 20(c), on 11/20/78 at 3:10pm
and assigned recordation number(s) 9857, 9857-A, 9858, 9858-A & 9859
9859A

Sincerely yours,



H.G. Homme, Jr.,
Secretary

Enclosure(s)

SE-30-T
(2/78)

SECURITY AGREEMENT

RECORDATION NO. 9857 Filed 1425

NOV 20 1978 -3 10 PM

INTERSTATE COMMERCE COMMISSION

1. SECURITY INTEREST

The undersigned RONALD G. CHISM, 510 Altagate Road, Louisville, Kentucky 40206 ("Debtor"), grants CITIZENS FIDELITY BANK & TRUST COMPANY, a Kentucky corporation ("Secured Party"), a security interest in four XM boxcars listed in Exhibit A attached hereto and all proceeds and products of the foregoing ("Collateral"), wherever located to secure payment of the Note of Debtor dated 11 - 2, 1978, and all Debtor's present and future debts, obligations and liabilities to Secured Party of whatever nature ("Obligations").

2. DEBTOR'S WARRANTIES

Debtor warrants that while any of the Obligations are unpaid:

(a) OWNERSHIP. Debtor is the owner of the Collateral free of all encumbrances and security interests (except Secured Party's security interest), and no financing statement or security agreement (other than Secured Party's) is on file covering the Collateral or any of it.

(b) OTHER AGREEMENTS. Debtor is not in default under any agreement for the payment of money.

(c) AUTHORITY TO CONTRACT. The execution and delivery of this Agreement and any instruments evidencing Obligations will not violate or constitute a breach of any agreement or restriction to which Debtor is a party or is subject.

(d) ACCURACY OF INFORMATION. All information, certificates or statements given to Secured Party pursuant to this Agreement shall be true and complete when given.

(e) ADDRESSES. The address of Debtor's principal residence or principal place of business is shown below Debtor's signature.

(f) CHANGE OF NAME OR ADDRESS. Debtor shall immediately advise Secured Party in writing of any change in name or address.

3. DEBTOR'S COVENANTS

Debtor agrees:

(a) MAINTENANCE OF COLLATERAL. Debtor shall: Maintain the Collateral in good condition and repair and not permit its value to be impaired; keep it free from all liens, encumbrances and security interests (other than Secured Party's security interest); defend it against all claims and legal proceedings by persons other than Secured Party; pay and discharge when due all taxes, license fees, levies and other charges upon it; and not permit it to be used in violation of any applicable law, regulation or policy of insurance. Loss of or damage to the Collateral shall not release Debtor from any of the Obligations.

(b) INSURANCE. Debtor shall keep the Collateral and Secured Party's interest in it insured under policies with such provisions, for such amounts and by such insurers as shall be satisfactory to Secured Party from time to time, and shall furnish evidence of such insurance satisfactory to Secured Party. Debtor assigns (and directs any insurer to pay) to Secured Party the proceeds of all such insurance and any premium refund, and authorizes Secured Party to endorse in the name of Debtor any instrument for such proceeds or refunds and, at the option of Secured Party, to apply such proceeds and refunds to any unpaid balance of the Obligations, whether or not due, and/or to restoration of the Collateral, returning any excess to Debtor. Secured Party is authorized, in the name of Debtor or otherwise, to make, adjust and/or settle claims under any insurance on the Collateral, or cancel the same after the occurrence of an event of default.

(c) MAINTENANCE OF SECURITY INTEREST. Debtor shall pay all expenses and, upon request, take any action reasonably deemed advisable by Secured Party to preserve the Collateral or to establish, determine priority of, perfect, continue perfected, terminate and/or enforce Secured Party's interest in it or rights under this Agreement.

(d) COLLATERAL RECORDS AND STATEMENTS. Debtor shall keep accurate and complete records respecting the Collateral in such form as Secured Party may approve. At such times as Secured Party may require, Debtor shall furnish Secured Party a statement certified by Debtor and in such form and containing such information as may be prescribed by Secured Party, showing the current status and value of the Collateral.

(e) INSPECTION OF COLLATERAL. At reasonable times Secured Party may examine the Collateral and Debtor's records pertaining to it, wherever located, and make copies of records. Debtor shall assist Secured Party in so doing.

4. RIGHTS OF SECURED PARTY

(a) AUTHORITY TO PERFORM FOR DEBTOR. Upon the occurrence of an event of default or if Debtor fails to perform any of Debtor's duties set forth in this Agreement or in any evidence of or document relating to the Obligations, Secured Party is authorized, in Debtor's name or otherwise, to take any such action, including without limitation signing Debtor's name or paying any amount so required, and the cost shall be one of the Obligations secured by this Agreement and shall be payable by Debtor upon demand with interest at the maximum legal rate from the date of payment by Secured Party.

(b) RIGHT OF SET-OFF. Debtor grants Secured Party as further security for the Obligations, a security interest and lien in any credit balance and other money now or hereafter owed Debtor by Secured Party or any assignee of Secured Party and, in addition, agrees that Secured Party may, without prior notice or demand, setoff against any such credit balance or other money any amount owing upon the Obligation, whether due or not.

5. DEFAULT

Upon the occurrence of one or more of the events of default as defined in the Note Agreement between the parties dated as of _____, 1978, the giving of notice and expiration of thirty (30) days, Secured Party

shall have all rights and remedies for default provided by the Kentucky Uniform Commercial Code, as well as any other applicable law and any evidence of or document relating to the Obligations. With respect to such rights and remedies,

(a) REPOSSESSION. Secured Party may, without notice or hearing, take possession of the Collateral, which Debtor waives.

(b) ASSEMBLING COLLATERAL. Secured Party may require Debtor to assemble the Collateral and to make it available to Secured Party at any convenient place designated by Secured Party.

(c) NOTICE OF DISPOSITION. Written notice, when required by law, sent to any address of Debtor in this Agreement at least 10 calendar days (counting the day of sending) before the date of a proposed disposition of the Collateral is reasonable notice.

(d) EXPENSES AND APPLICATION OF PROCEEDS. Debtor shall reimburse Secured Party for any expense incurred by Secured Party in protecting or enforcing its rights under this Agreement including, without limitation, reasonable attorneys' fees and legal expenses and all expenses of taking possession, holding, preparing for disposition and disposing of the Collateral. After deduction of such expenses Secured Party may apply the proceeds of disposition to the Obligations in such order and amounts as it elects.

(e) WAIVER. Secured Party may permit Debtor to remedy any default without waiving the default so remedied, and Secured Party may waive any default without waiving any other subsequent or prior default by Debtor.

6. INTERPRETATION

The validity, construction and enforcement of this Agreement are determined and governed by the internal laws of Kentucky. All terms not otherwise defined have the meanings assigned to them by the Kentucky Uniform Commercial Code. Invalidity of any provision of this Agreement shall not affect the validity of any other provision.

Signed and sealed on 11-2, 1978.

DEBTOR: RONALD G. CHISM

Ronald G. Chism
510 Altagate Road
Louisville, Kentucky 40206

STATE OF KENTUCKY)
 : SS
COUNTY OF JEFFERSON)

On this 2nd day of Novmember, 1978, before me personally appeared RONALD G. CHISM, to me known to be the person described in and who executed the foregoing instrument and he acknowledged that he executed the same as his free act and deed.

Florence Baldsmith
Notary Public

My commission expires: July 21, 1979.

EXHIBIT A

CAR MANUFACTURER

NUMBER

Pullman Standard
Pullman Standard
Pullman Standard
Pullman Standard

VTR-11107
VTR-11218
VTR-11231
VTR-11298